

Morning Mantra 11th August, 2016

The Indian markets are likely to be cautious but some recovery can be expected after the big fall of last session, and traders will go for value picking.

There will be some action in the textile stocks, as the Lok Sabha passed the Taxation Laws (Amendment) Bill, 2016, relaxing the rules for the textile sector to avail itself of the income tax benefit on additional employment created.

On the same time the telecom stocks will be under pressure, as the Department of Telecom has 'suspended' spectrum sharing, trading and liberalisation activities till the provisional results of the upcoming spectrum auction are declared.

The broking and non-banking financial companies will be in jubilant mood, with the cabinet approving amendments to the Foreign Exchange Management (Transfer or Issue of Security by the Person Resident Outside India) regulations on NBFCs to this effect.

There will be lots of important earnings announcements to keep the markets buzzing. Bank of Baroda, Aditya Birla Nuvo, ABG Shipyard, Balrampur Chini, Dhanlaxmi Bank, IPCA Labs, Godrej Industries, JK Lakshmi Cements, MRF, Page Industries, VIP Industries and Coffee Day Enterprises are among many to announce their numbers.

Nifty Levels

Close	8575			
Support	8575	8510	8478	8420
Resistance	8600	8647	8680	8722

Global Indices –10th August, 2016
Institutional Activities –10th August, 2016

Dow	-37.39(-0.20%)	FII Cash	+412.56crs
Nasdaq	-20.90(-0.40%)	DII Cash	-747.27crs
S&P500	-6.25(-0.29%)	FII F&O	-865.44crs
SGX Nifty (Today)	+2.50(+0.03%)		

US. Markets

The US markets made another mildly soft ending in last session, amid a steep drop by the price of crude oil. Trading through the day remained subdued lacking major US economic data on the day.

Other Information

The Asian markets have made mostly a lower start, as the crude fell for a third day, after a surprise gain in American stockpiles inflamed concerns about oversupply.

NY Crude Oil \$42.23/barrel Rs./\$ -66.74

F&O Ban

DISHTV, IBREALEST, JINDALSTEL, JISLJALEQS, RCOM and WOCKPHARMA

Corporate/Media News

Indiabulls Real Estate reported 29.7 per cent YoY growth in the net profit to Rs 117 crores for the quarter ended June 30 compared with 90.2 crores reported in the year-ago period.

PC Jeweller has inaugurated one new showroom located at 731-A, Gaushala Road, Najafgarh in New Delhi.

Dilip Buildcon informs about listing of equity shares

Dalmia Bharat reported a net profit of Rs 48.3 crores for the quarter ended June 30 compared with Rs 9.5 crores net loss reported in the year-ago period.

GAIL India has placed orders for purchase of 315 km steel pipes to carry fuel to shut fertiliser plants in Bihar.

Yes Bank is set to launch a \$1-billion share sale to institutional investors in what would be the biggest such exercise this year to support its expansion and take advantage of an expected economic revival in India.

HSIL reported 36 per cent YoY growth in the net profit to Rs 26.4 crores for the quarter ended June 30 compared with Rs 19.4 crores reported in the year-ago period.

Tata Motors is planning to add an SUV and a premium sedan to its list of new launches to maintain its above industry growth rate in car segment in future. However, the company hasn't set a timeline for the launch yet.

Inox Wind has bagged a repeat order from Surya Vidyut (SVL) for a 50 MW wind power project at Rojmal, Gujarat.

BHEL: Government approved Rs 1,554 crores R&D project to develop advanced ultra super critical (AUSC) technology for thermal power plants, a move that would ensure energy security.

IFCI cut benchmark lending rate by 0.1 per cent to 9.3 per cent making its lending cheaper. "The benchmark rate up to one year reduced from 9.40 per cent to 9.30 per cent with monthly rests," IFCI said in a statement.

JP Associates: Aditya Birla Group-controlled UltraTech Cement Ltd on Wednesday said India's anti-trust regulator has approved its deal to buy Jaypee Group's cement business.

Housing Finance Companies: Securities and Exchange Board of India (SEBI) has doubled the limit on permissible holding of bonds of housing finance companies by mutual funds as it aims to support Prime Minister Narendra Modi's promise of home for all.

Corporation Bank: The bank registered a net profit of Rs 35.92 crores in the first quarter of 2016-17 as against a profit of Rs 204.26 crores in the corresponding period of previous fiscal, recording a decline of 82.41 per cent.

Bharti Airtel, Aircel and BSNL accounted for the highest number of violations related to mobile number portability (MNP) norms in the last three financial years.

Tata Power: Tata Power Delhi Distribution Ltd is collaborating with 30 companies, institutions and funding agencies for technology innovation to introduce energy efficiency measures.

Indian Hotels Co. Ltd: IHCL, which runs the Taj chain of hotels, on Wednesday said net loss in the June quarter widened to Rs.169.45 crores from Rs.72.39 crores a year ago.

Fundamental Calls

<u>Scripts</u>	<u>Initiation Date</u>	<u>Initiation price (Rs.)</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>
IG Petrochemicals	21-July-15	114.00	151.40	180.00
Rural Electrification Corp.	17-Aug-15	259.25	222.30	337.00
Transpek Industry	07-Dec-15	375.50	422.00	488.00
Kalyani Steel	18-Dec-15	173.30	285.10	300.00
KNR Constructions	24-Dec-15	582.50	615.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	281.85	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	351.30	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	242.30	340.00
Lumax Auto Technologies	27-Jan-16	333.00	398.00	460.00
Alembic Pharma	29-Jan-16	617.75	634.80	800.00

State Bank of Bikaner & Jaipur	13-Feb-16	460.00	651.00	700.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	653.05	756.00
Sintex Inds.	15-Apr-16	83.00	71.50	116.00
Richa Inds.	23-Apr-16	35.80	28.95	50.00
KCP Ltd.	29-Apr-16	84.00	91.45	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	669.85	744.00
VTM Ltd.	20-May16	30.60	28.60	46.00
DCM Shriram Ltd	28-May-16	187.00	223.65	252.00
Gulshan Polyols	04-June-16	336.00	357.50	471.00
Finolex Industries	13-June-16	410.75	454.35	534.00
DTIL	21-June-16	301.00	286.25	424.00
Salzer Electronics	25-June-16	206.00	249.35	290.00
GHCL	02-July-16	192.00	234.05	270.00
Karur Vysya Bank	09-July-16	530.10	488.00	690.00
Tamil Nadu Newsprint and Papers	06-Aug-16	295.30	290.05	413.50

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
ADANI ENT	79.90	84.00	78.00
TCS	2675	2780	2620
<u>SELL</u>			
ASIAN PAINTS	1130	1100	1145

Disclaimer: This document has been prepared by SATCO Capital Market Ltd., a registered broker dealer, and is being distributed to its clients. The information in the document has been compiled by the research department. Due care has been taken in preparing the above document. However, this document is not, and should not be construed, as an offer to sell or solicitation to buy any securities. Any act of buying, selling or otherwise dealing in any securities referred to in this document shall be at investor's sole risk and responsibility. This document may not be reproduced, distributed or published, in whole or in part, without prior permission from the Company. @ Satco Capital Markets Ltd.